

Alabama State Board of Public Accountancy
Minutes of Board Meeting
May 6, 2016

1. Date, Place and Attendance of Meeting:

A regular meeting of the Alabama State Board of Public Accountancy was held on Friday, May 6, 2016 in the office of the Board located in Montgomery, Alabama at 10:00 a.m.

Board Members Present: Mr. Steven M. Barranco, CPA
Mr. J. Earl Blackmon, CPA
Mr. Michael Terry Comer, PA
Dr. Steve Grice, CPA
Mr. Delbert Madison
Ms. Connie Sheppard-Harris, CPA
Mr. M. Chad Singletary, CPA

A lawful quorum of the Board was present for the meeting.

Also present were D. Boyd Busby, Executive Director; Carol J. Preston, Deputy Executive Director; Nicole T. Robinson, CPE Administrator; Billington M. Garrett, Assistant Attorney General; and Jeannine P. Birmingham, President and CEO of the Alabama Society of CPAs.

Present for hearings only were Kathy Brown, Esq., Governmental Hearing Officer and Stacey L. Johnson, Court Reporter and Commissioner for the State of Alabama at Large.

Sufficient prior notice of the meeting had been given as required by the Alabama Open Meetings Act.

2. Call to Order:

The meeting was called to order by Steven M. Barranco, CPA, Chair.

3. Approval of Agenda:

Mr. Singletary made a motion to approve the agenda as presented for the May 6, 2016 meeting. Ms. Sheppard-Harris seconded and the motion carried unanimously.

4. Approval of Minutes:

Mr. Comer made a motion to approve the minutes of the March 9, 2016 meeting. Mr. Singletary seconded and the motion carried unanimously.

5. Disciplinary Hearings on Licensees with Delinquent Peer Reviews as of December 31, 2014:

Mr. Barranco turned the meeting over to Kathy Brown, Esq., Governmental Hearing Officer, to serve as hearing officer and preside over the disciplinary hearing for Frank A. Jenkins, III, CPA. Mr. Jenkins did not attend the hearing and it was conducted in his absence. At the conclusion of the hearing, Mr. Singletary made a motion to go into executive session to consider the merits for disciplinary action in this case. Ms. Sheppard-Harris seconded. Everyone except qualified Board members was excused at 10:40 a.m. for an estimated 15 minutes needed to deliberate. The Board deliberated in executive session. At 11:00 a.m. after deliberation, Mr. Barranco called the meeting back to order and called for a motion in the matter. Mr. Singletary made a motion that the Board find Mr. Frank A. Jenkins, III, CPA doing business as Jenkins & Associates, P.C. in noncompliance of the Peer Review Program requirements established by the Board and that this act constitutes a failure to satisfy the Peer Review Program requirements of the Board and constitutes a violation of the rules of professional conduct established by the Board. He further moved that Mr. Frank A. Jenkins, III, CPA be fined \$1,000.00 per count and that his CPA Certificate No. 1731-R be revoked and that the revoked certificate be returned to the Board Office within 30 days of this date. Mr. Comer seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, Singletary, and Ms. Sheppard-Harris. The Board Order, Summons and Complaint and the transcript of the hearing are attached and become a part of these minutes.

Mr. Barranco turned the meeting over to Kathy Brown, Esq., Governmental Hearing Officer, to serve as hearing officer and preside over the disciplinary hearing for Thomas L. Hinson, Jr. CPA. Mr. Hinson did not attend the hearing and it was conducted in his absence. At the conclusion of the hearing, Mr. Singletary made a motion to go into executive session to consider the merits for disciplinary action. Mr. Blackmon seconded. Everyone except qualified Board members was excused at 11:14 a.m. for an estimated 15 minutes needed to deliberate. The Board deliberated in executive session. At 11:20 a.m. after deliberation, Mr. Barranco called the meeting back to order and called for a motion in the matter. Mr. Singletary made a motion that the Board find Mr. Thomas L. Hinson, Jr., CPA doing business as Thomas L. Hinson, Jr., CPA, in noncompliance of the Peer Review Program requirements established by the Board and that this act constitutes a failure to satisfy the Peer Review Program requirements of the Board and constitutes a violation of the rules of professional conduct established by the Board. He further moved that Mr. Thomas L. Hinson, Jr., CPA be fined \$1,000.00 per count and that his CPA Certificate No. 1254 be revoked and that the revoked certificate be returned to the Board Office within 30 days of this date. Ms. Sheppard-Harris seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, Singletary, and Ms. Sheppard-Harris. The Board Order, Summons and Complaint and the transcript of the hearings are attached and become a part of these minutes.

FIRMS

<u>Case No.</u>	<u>Licensee</u>	<u>Certificate No.</u>	<u>Peer Review Due Date</u>
16PR-3	Frank A. Jenkins, III, CPA d/b/a Jenkins & Associates P.C.	1731-R Firm 568	October 31, 2014
16PR-4	Thomas L. Hinson, Jr., CPA d/b/a Thomas L. Hinson, Jr., CPA	1254 Firm 583	January 31, 2014

6. Request for Reinstatement – Deborah H. Whitmore:

A letter from Deborah H. Whitmore, CPA Certificate No. 1609 requesting reinstatement to retired status was presented to the Board. Her reinstatement request included all of the completed forms and fees that the Board had decided at their March 21, 1997 meeting would be necessary to gain favorable consideration for reinstatement. Ms. Whitmore did not attend the hearing and it was conducted in her absence. Ms. Whitmore's written request also included completed 2014-2015 Registration Form electing retired status and cashier's checks in the amount of \$2,100.00. The cashier's checks comprised the reinstatement fee of \$100.00 and the \$2,000.00 administrative fine levied in the Board Order for Case No. 16D-82. After discussion, Mr. Singletary made a motion to reinstate Ms. Whitmore's CPA Certificate No. 1609 to retired status, subject to all the required fees and fines levied by the Board being paid. Mr. Grice seconded the motion and it carried unanimously on a roll call vote with Messrs. Barranco, Blackmon, Comer, Grice, Madison, Singletary, and Ms. Sheppard-Harris voting in favor of the motion. Ms. Whitmore paid all the required fees and fines levied by the Board along with her reinstatement request.

7. Request for Reinstatement – Michael Vernon Mullen:

A letter from Michael Vernon Mullen, CPA Certificate No. 7589 requesting reinstatement to inactive status was presented to the Board. His reinstatement request included all of the completed forms and fees that the Board had decided at their March 21, 1997 meeting would be necessary to gain favorable consideration for reinstatement. Mr. Mullen did not attend the hearing and it was conducted in his absence. Mr. Mullen's written request also included completed 2015-2016 Registration Form electing inactive status and cashier's checks in the amount of \$3,200.00. The cashier's checks comprised the reinstatement fee of \$100.00, the \$2,000.00 administrative fine levied in the Board Order for Case No. 16D-55, and \$1,100.00 for late renewal penalties and personal registration fees for the fiscal years 2014-2015 through 2015-2016. After discussion, Ms. Sheppard-Harris made a motion to reinstate Mr. Mullen's CPA Certificate No. 7589 to inactive status, subject to all the required fees and fines levied by the Board being paid. Mr. Singletary seconded the motion and it carried unanimously on a roll call vote with Messrs. Barranco, Blackmon, Comer, Grice, Madison, Singletary, and Ms. Sheppard-Harris voting in favor of the motion. Mr. Mullen paid all the required fees and fines levied by the Board along with his reinstatement request.

8. Request for Reinstatement – Robert Brian Gray:

A letter from Robert Brian Gray, CPA Certificate No. 5886 requesting reinstatement to inactive status was presented to the Board. His reinstatement request included all of the completed forms and fees that the Board had decided at their March 21, 1997 meeting would be necessary to gain favorable consideration for reinstatement. Mr. Gray did not attend the hearing and it was conducted in his absence. Mr. Gray's written request also included completed 2015-2016 Registration Form electing inactive status, a completed Immigration Compliance form, and a cashier's check in the amount of \$8,950.00. The cashier's check comprised the reinstatement fee of \$100.00, the \$1,000.00 administrative fine levied in the Board Order for Case No. 03R-22, and \$7,850.00 for late renewal penalties and personal registration fees for the fiscal years 2001-2002 through 2015-2016. After discussion, Mr. Singletary made a motion to reinstate Mr. Gray's CPA Certificate No. 5886 to inactive status, subject to all the required fees and fines levied by the Board being paid. Mr. Comer seconded the motion and it carried unanimously on a roll call vote with Messrs. Barranco, Blackmon, Comer, Grice, Madison, Singletary, and Ms. Sheppard-Harris voting in favor of the motion. Mr. Gray paid all the required fees and fines levied by the Board along with his reinstatement request.

9. Request for Reinstatement—Brian Winfield Gryder:

A letter from Brian Winfield Gryder, CPA Certificate No. 7810 requesting reinstatement to inactive status was presented to the Board. His reinstatement request included all of the completed forms and fees that the Board had decided at their March 21, 1997 meeting would be necessary to gain favorable consideration for reinstatement. Mr. Gryder did not attend the hearing and it was conducted in his absence. Mr. Gryder's written request also included completed 2015-2016 Registration Form electing inactive status, a completed Immigration Compliance form, and a cashier's check in the amount of \$5,400.00. The cashier's check comprised the reinstatement fee of \$100.00, the \$2,000.00 administrative fine levied in the Board Order for Case No. 12R-29, and \$3,300.00 for late renewal penalties and personal registration fees for the fiscal years 2010-2011 through 2015-2016. After discussion, Ms. Sheppard-Harris made a motion to reinstate Mr. Gryder's CPA Certificate No. 7810 to inactive status, subject to all the required fees and fines levied by the Board being paid. Mr. Grice seconded the motion and it carried unanimously on a roll call vote with Messrs. Barranco, Blackmon, Comer, Grice, Madison, Singletary, and Ms. Sheppard-Harris voting in favor of the motion. Mr. Gryder paid all the required fees and fines levied by the Board along with his reinstatement request.

10. Legislation Update:

Mr. Busby updated the Board on the progress of SB80 which addresses Board Rules and Certain Board Action Oversight. Mr. Busby also informed the Board of the SB327 Ban the Box bill and possible implications of future legislation.

11. Executive Director's Update and Report on Activities:

(a) Continued Enforcement Activities

Mr. Busby updated the Board on continued enforcement activities. He informed the Board of site visits that he had made and of the focus of future site visits for revoked CPAs or non-CPAs holding themselves out as CPAs.

(b) Update from the Executive Directors Conference

Mr. Busby updated the Board about topics of interest from the conference including current legal cases, legislative strategies, exam changes, peer review changes and CGMA discussions.

(c) GL Solutions

Mr. Busby updated the Board on the progress of the GL Solutions software implementation. He informed the Board that the staff was in the testing phase with a go live date of June 6, 2016.

(d) Statement of Economic Interest

Mr. Busby reminded the Board that they were to complete this form for the State Ethics Commission.

(e) Upcoming Issues

Mr. Busby updated the Board on the progress of the NLO task force, current Statute and Rule review, and changes in peer review.

Mr. Busby discussed other issues that he would be tracking and bringing before the Board during 2016.

Mr. Busby discussed a date for the November Board meeting. The Board consensus was to hold the meeting on November 16, 2016.

12. CPA Exam Changes and Change in Exam Fees:

Mr. Busby informed the Board about new changes in the Uniform CPA Examination that will be effective April 1, 2017 and discussed possible changes in exam fees. Mr. Comer made a motion that the charge per section of the CPA Exam be \$193.00 per section effective January 1, 2017. Mr. Blackmon seconded the motion and it carried unanimously on a roll call vote with Messrs. Barranco, Blackmon, Comer, Grice, Madison, Singletary, and Ms. Sheppard-Harris voting in favor of the motion.

13. Board Statement on CPAs/Firms Providing Services to Marijuana Industry:

Mr. Busby discussed a possible need for a Board statement regarding action the Board may or may not take against CPAs and firms providing services to the marijuana industry. A brief discussion ensued but no action was taken.

14. Examiners of Public Accounts—Legal Compliance Review:

Mr. Busby presented to the Board the Legal Compliance Review from the Examiners of Public Accounts.

15. Approval of New CPA Certificates:

Mr. Singletary made a motion to approve new CPA Certificates No. 12709 through 12839-R. Ms. Sheppard-Harris seconded and the motion carried unanimously.

16. Approval of January – February 2016 CPA Examination Grades:

The Board was presented with the AICPA Advisory Grades for the January – February 2016 Uniform CPA Examination for review. After review, Ms. Sheppard-Harris made a motion to approve the grades as released to candidates on March 4, 2016 and April 4, 2016. Mr. Comer seconded and the motion carried unanimously.

17. Alabama CPA Examination Statistics:

A statistical summary of the Alabama CPA Examination was presented to the Board. A brief discussion ensued but no action was taken.

18. New Certificates by Transfer of Grades:

A statistical summary of new certificates by transfer of grades was presented to the Board for review. A brief discussion ensued but no action was taken.

19. FY 2015-2016 Delinquent Licensees Update:

A statistical summary of FY 2015-2016 delinquent licensees was presented to the Board. A brief discussion ensued but no action was taken.

20. Peer Review Delinquencies at December 31, 2014 Update:

A statistical summary of Peer Reviews as of December 31, 2014 was presented to the Board. A brief discussion ensued but no action was taken.

21. Peer Review Delinquencies at December 31, 2015 Update:

A statistical summary of Peer Reviews as of December 31, 2015 was presented to the Board. A brief discussion ensued but no action was taken.

22. Complaints Update:

A complaints summary for FY 2009-2010 through 2015-2016 was presented to the Board. A brief discussion ensued but no action was taken.

23. Licensees Count:

A statistical summary of the number of Board licensees by category as of April 29, 2016 was presented to the Board. A brief discussion ensued but no action was taken.

24. Other Business:

Mr. Barranco encouraged fellow Board members to volunteer for NASBA sub-committees.

25. Adjournment of Meeting:

The next meeting of the Board is scheduled for Friday, September 16, 2016 at 10:00 a.m. in the office of the Board. There being no further business to come before the Board, Mr. Singletary made a motion to adjourn. Mr. Comer seconded and the motion carried unanimously. The meeting adjourned at 2:34 p.m.

Respectfully Submitted:



Michael Terry Comer, CPA
Secretary

Approved:



Steve M. Barranco, CPA
Chair